

# Group's local affiliate to merge with Austin office

By **Cindy V. Culp**

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The local Planned Parenthood affiliate plans to merge with the agency's Austin office by the end of next year, officials announced Wednesday.

The process will begin next week, with Austin officials taking charge of the Waco office under a new management agreement. Area programs and services will not change, and the move was not prompted by recent funding losses, officials said.

"The more ways we can be efficient and see more patients with the same amount of dollars, that's what we want to do," local CEO Felicia Goodman said.

The two affiliates have contemplated a merger for 1½ years, Goodman said. After she announced in May that she wanted to step down as CEO to have more family time, the agency decided to institute a management agreement,

rather than hire a new CEO, she said.

Goodman will stay at the Waco affiliate in a newly created position — director of community affairs.

In that role, she will remain the local face of Planned Parenthood, she said, with responsibilities including fundraising and public relations.

The local affiliate runs two clinics in Waco.

One is government-funded and offers poor women contraceptives and other reproductive health services for free or at a deep discount. The other clinic is privately funded and provides an array of services, including abortions.

Goodman said she is thrilled at the prospect of getting management help



**Goodman**

See **MERGE**, Page 4B

from the Austin office, officially known as Planned Parenthood of the Texas Capital Region. That's especially true since one of the two women leading the affiliate is Pam Smallwood, who was the local CEO before Goodman.

"It's a perfect way to move forward, with someone who knows this organization so well," Goodman said.

Smallwood and Sarah Wheat, interim co-CEOs for the Austin office, were not available for comment Wednesday.

The idea for the merger grew out of the changing landscape in both the health care industry and the non-profit world, Goodman said. Many such organizations have merged nearby offices to avoid duplication of work not directly related to serving clients, she said.

For the past couple of years, the Waco and Austin affiliates have shared a medical director, Goodman said.

The new management agreement and upcoming merger will take that sort of efficiency even further by

consolidating some back-office functions, she said.

In addition, the experience of the Austin office will be invaluable as Planned Parenthood seeks to implement a new business model here, Goodman said.

A different approach is needed because of recent state funding losses, as well as proposed federal cuts, she said.

## Loss of funding

This past session, the Texas Legislature reduced family planning funding from \$111 million for the two-year budget cycle to \$37 million.

And a new funding formula dictates that Planned Parenthood and other family planning agencies get last claim on the money.

The exact extent of those cuts locally is not yet clear, Goodman said. But the local office knows it must shift to a model where it sees fewer clients and charges more for services. The Austin office already has such a system, she said.

Officials are not yet sure whether any of 30 jobs at the local office, besides the CEO spot, will be eliminated by the merger, Goodman said.

The Waco office has an annual budget of about \$2.5 million and serves about 12,000 patients each year, Goodman said.

The Austin office has a \$7 million budget and serves about 32,000 patients annually, she said.